Review of interest rates on Employees Provident Fund

1183. SHRIMATI SUKHBUNS KAUR: Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:

(a) whether the scheme of funds from Employees Provident Fund (EPF) has been reviewed to make it feasible to pay interest @9.5 per cent on EPF; and

(b) if so, what has been current practice for deployment of EPF money and what steps are contemplated to assure 9.5 per cent interest on EPF?

THE MINISTER OF LABOUR AND EMPLOYMENT (SHRI K. CHANDRA SEKHAR RAO): (a) As per the provisions contained in Paragraph 60 (1) of the Employees' Provident Fund Scheme, 1952, the Employees' Provident Fund Organisation is required to credit interest on the balance available in the accounts of the members of Employees' Provident Fund at such rate as may be determined by the Central Government in consultation with the Central Board of Trustees, Employees' Provident Fund. Para 60(1) of the Employees' Provident Fund Scheme, 1952 needs to be read with Para 60(4) according to which "In determining the rate of interest, the Central Government shall satisfy itself that there is no overdrawal on the Interest Suspense Account as a result of debit thereto of the interest credited to the accounts of the members."

(b) Employees' Provident Fund Money is invested in-accordance with the Investment Pattern notified by the Government of India under para 52(1) of the Employees' Provident Fund Scheme, 1952.

Skilled and unskilled labourers in the country

1184. SHRI THANGA TAMIL SELVAN: Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:

(a) the number of persons who have gone abroad for job opportunities during the last three years, skilled and unskilled labour and professionals separately; and

(b) the details of facilities being extend by Government for persons looking for employment abroad?

THE MINISTER OF LABOUR AND EMPLOYMENT (SHRI K. CHANDRA SEKHAR RAO): (a) As per the information available from

Ministry of Overseas Indian Affairs in respect of ECR (Emigration Clearance Required) countries, the number of persons who had obtained emigration clearances for going abroad for employment during the years 2002, 2003 and 2004 where 3.68 lakhs, 4.66 lakhs; and 4.75 lakhs respectively. Their category-wise break-up is, however, not available.

(b) Emigration Act, 1983 does not provide for any facilities to be extended to the persons looking for employment abroad.

Pension Scheme in various sectors

1185. SHRI SANJAY RAUT: Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:

(a) whether it is a fact that only about 11 per cent of the total population of our country is covered by a proper pension scheme and large number of people are not covered by pensions, so far:

(b) if so, Government's response thereto; and

(c) the details of the steps taken or proposed to be taken for increasing coverage of pension scheme in various fields?

THE MINISTER OF LABOUR AND EMPLOYMENT (SHRI K. CHANDRA SEKHAR RAO): (a) Retirement Benefits in one form or the other are available to only 13% of the working population of the country.

(b) and (c) Government has already implemented a new restructured defined contribution pension scheme, namely, the New Pension System (NPS) for all Central Government recruits (excluding Armed Forces, in the first stage) with effect from 01.01.2004. The NPS will also be available on a voluntary basis to all persons including self-employed professionals and other in the unorganized sector. State Governments may also opt to join the new system as and when they desire.

As regard to Employees' Pension Scheme, 1995 benefits of Pension are available to all the eligible employees of an establishment to which the Employees' Provident Funds and Miscellaneous provisions Act, 1952 applies.

As on 31.03.2004 there were 280.90 lakh members under the Employees' Pension Scheme, 1995.